G. R. S. IX-5]

Previous references.

(P-32)

File No. 6-97

191 .

(Agri)

Serial Nos. 3-6

Later references.

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 3-6

Major ~~Part~~ B for - Aug 03.

SUBJECT.

Inspection Report on the Agri-Cultural Bank at Cossipet.

Commercial

W D 68—GPB—50,000—24-7-16

Indexed

REVENUE DEPARTMENT
Gl. No. 2290
MAY 16 1898
DEWAN'S OFFICE 1897

Agricultural Banks

To

The Secretary to Govt. of Mysore.
General and Revenue Depts
through the Deputy Commissioner
Bangalore District

Dated 12th May 1898

Despatched 13th do

Received

General No. 418
No.

Enclosure No. 2

In reply to

SUBJECT.

Submitting a memo on the Inspection of the Agricultural Bank at Closepet in Channapatna Taluk

Read with the above letter from the Inspector of Co-operative Societies, Bangalore District, forwarding a memorandum on the inspection of the Agricultural Bank at Closepet in Channapatna Taluk.

18-5-98

References (to be entered only in the Dewan's Office.)

Rev 16/5/98

Submitted to Secretary for orders
16/5/98

4/8

Office of the Inspector of
Agricultural Banks in Mysore
Bangalore 12th May 1898
18th

From

The Inspector of Agricultural
Banks in Mysore

To

The Secretary to the Government
of Mysore,
General and Revenue Departments
through the Deputy Commissioner
Bangalore District.

Sir,

I have the honor to
submit a memo of inspection
of the Agricultural Bank at
Hosapet Channapatam Taluk
made by me on the 19th March 1898.

I have the honor to be,
Sir
your most obedient servant,

Inspector of Agricultural
Banks in Mysore

No. 1611

Submitted.

H. Venkatasangiah
Dy: Commr of Bangalore
14.5.98

Memo of inspection of the Closepet Agricultural Bank, Chennapatam Taluk, made by the Inspector of Agricultural Banks in Mysore on the 19th March 1898.

Sanction was accorded to an advance of Rs 15000 to this Bank in Government Prov: No: 2813-16 Ref. 23-978 of 14th September 1897. It was duly incorporated as a Company on the 22nd October 1897.

2. There were only 18 members at the beginning; of these 4 have since resigned. In the General meeting held on the 4th March 1898, 50 members were newly

newly admitted.

3. Cash Book:-

This should contain full particulars of Charges entered therein instead of abstract entries as now made. No vouchers were taken for expenditure incurred on account of Contingencies and other items. The Agent's attention has been drawn to this defect.

4. From the enclosed Balance Sheet it will be seen that the Bank has drawn only Rs 4,150 out of Rs 15,000 sanctioned. Of this, Rs (4,435–385) = Rs 4,050 have been lent

lent to the members mostly upon the security of immovable property. One Ramaswami Lakshmanaswami was paid Rs 150 on Joint Pro-note. There was no Darkhast for this nor did the Directors pass any orders for payment. It was therefore ordered that this amount should be repaid at once.

5. All the documents executed in favor of the Bank were duly examined. All the lands owned by each member were not hypothecated. A few discharged bonds

bonds were also
due from the members
6. A Receipt Book
and a bond Register
have not been main-
tained. The property
Register was found
quite incomplete.
Necessary instructions
were sent to rectify
all these defects.
7. From private enquiries
the undersigned came
to know that the
present Agent was
heavily involved
~~in debts~~, and it
was suggested to
the members that
they should change
him. It was clearly
pointed out to them
that

This requires
immediate
attention

that the success of the Bank depended entirely upon their hearty Co-operation and that every one of them should submerge his self-interest for the well-being of the Community and carry out the benevolent intentions of Government. It appears very necessary that the local officers should visit the Bank now and then and set matters right so that the discordant elements may not play their part and prove my words.

by Inspector of Agriculture
Inspector of Agriculture
Banks in Mysore

The Secretary Bank Dept has been asked to have this done —
W. Stanbridge
Dy Comptr
14/5/38

cultural Bank made upto 19th March 1898.

	Charges and Assets				Amount		
I Assets	Immovable property						
	Movable do						
II Debts owing to the Bank	Loans on Class I on the security of immovable property	3750	-	-			
	do — II on Joint Ko- notes	190	-	-			
	do — III on Joint instalment bonds	-	-	-			
	do — IV on Mubadala or Hand Loans	495	-	-	4435	-	-
III Remittance to Treasury	Remitted towards interest	4	7	10	4	7	10
	do ——— Do on	.	.	.	.	.	.
IV Miscellaneous	Refund of deposit	300	.	.	300	.	.
	do ——— interest	1	9	1	1	9	1
V Establishment and Contingencies	Establishment	12	-	-			
	Contingencies and other items	41	4	-	53	4	-
VI Cash and investments	Cash in hand	180	14	-	180	14	-
	Total Rupees				4,975	2	11

d Loss

To	Interest to be covered	114	10	11
	Entrance fees	25	8	-
	Total Rs	140	2	11

Inspector of Agricultural Banks in Mysore

Copy

Balance Sheet of the Closed A[g]

	Receipts and Liabilities				Amou[nt]
I Capital	By amount sanctioned by Government in Pro. No: 2813-16 Of. 23-978 of 14. 9. 97	15000			
II Debts due by the Bank	Amount drawn by the Bank from Government Treasury	4150			
	By deposits	300			4450
III Profits	By interest recovered	114	10	11	114 10
	Repayment of loans	385	-	-	385 -
IV Miscellaneous	Entrance fees.	25	8	-	25 8
	Total Rupees				4,975 2

Profit

By remittance to Treasury		4	7
Establishment and other items		53	4
Refund of interest		1	9
By profit		87	
Total Rs		140	2

Office of the Inspector of Agricultural Banks in Mysore
Bangalore 1st May 1898.
13c

Read:

Letter No. 418 dy 12th Jany 1898, from the Inspector of Agricultural Banks in Mysore, received through the Dy. Comm. Bangalore D.O. letter his endorsement No. 1611 dy 14th idem submitting [~~a~~] Memo of Inspection of the Agri-cultural Bank at Closepet, Chennapatam Taluk.

No 11083-4 / R.F. 23-97. dy 21-5-98.

Order thereon.

Recorded with the observation that the defects pointed out should be rectified at once & that the Sub Division Officer, Closepet, should enquire into the circumstances in life of the agent, and take such other action as might be deemed necessary in the interests of.

H.C.

the stability of the

Bank

20/5/98

Secretary

19/5/98

19/5/98

To

The Deputy Commr.

Bangalore Dt.

The Inspector of Agricultural

Banks in Mysore.

107 - 3897

...IE DEPARTMENT
1890 L.3 1903
N2

From The Inspector General
Banks in Mysore,

To The Secretary to the Government
of His Highness The Maharaja
of Mysore,
General and Revenue Depts

Dated 30th June 1903.

Despatched

Received

General No. 474
No.

Enclosure No: 1 Report

Submitting the report
of Mr. Ahmed Ali ---
on the Closepet ---
Agricultural Bank.

R - 31.6.03
Rec 1.7.03
2.7.03 3.7.03

Dilip Mukherjee
17/11/03

The cash amount, security bonds & title deeds are secured in the drawers of the Iron Safe, whose keys are also retained by the President himself.

5. There are 41 villages to which business with the Bank has been extended. Some of these are within a distance of 7 miles. Certain villages belonging to Chavakachcheri & Kayts Thondamanaar hobbies are also included for transactions with the Bank. The majority of members reside all within a distance of 7 miles from the Bank house.

The members in a general meeting resolved to extend the business to 16 fresh villages, for which sanction has not yet been obtained.

6. The no of members at last inspection was 91. There have been 2 new admissions during the year. Total 93. Five others have applied for membership but they have not yet been admitted as particulars in connection with their property have not been ascertained. The new members were duly qualified & admitted with the approval of the General Assembly. The Bank is slowly gaining in strength.

Sheet 21

7. Particulars of lands held by members are duly entered in the prescribed form of Register. There have been no notable instances of new acquisitions, transfers or relinquishments during the year and thus the united credit of the Bank has remained stationary. The Bank has borrowed from Govt Rs 14998-8-0 and repaid Rs 1500/- leaving Rs 13498-8-0 due to Govt. The Bank has advanced to members by way of loans Rs 25176 x received Rs 11442-14-9 leaving Rs 13733-1-3 yet unrecovered. The extent of property mortgaged to Bank measures 2927-6 ac. guntas valued at Rs 72195/-

Rs 13498-8-0 due to Govt
Rs 643-0-0 — Depositors

Bank's liabilities at date of inspection amount Rs 14141-8-0 as per margin.

8. The limit prescribed in the Articles of Association for the Bank's funds was originally Rs 15000/- and this was subsequently raised to Rs 20000/- by Resolutions of the General Assembly on 11th Feby 1900. The Bank's funds are within the above limits as shown in the margin.

There have been no deposits

x

Balance amount Rs a p.
from Govt - 13498-8-0
— Depositors - 643-0-0
Entrance fees - 57-0-0
14198-8-0

received from private individuals, but the amount shewn in the financial statement under 'deposits' represents that which has been carried over to the credit of the Bank from the members themselves at the time of their obtaining the loans.

9. The Bank has received in 1898 the Govt's advance of Rs 14,998-8-0 out of Rs 15,000/- sanctioned for the same. Repayments must commence from 1898-99. The Bank till now has paid only one instalment of Rs 1,500/- In the Deputy Commissioner's Order No. 50 dated 18-11-1901. to the Bank Authorities, the time fixed for repayment of the Govt. loan is said to be 10 years. but it is silent as to when the Repayments should commence. In the absence of clear instructions, it is not possible to say how much had to be paid by the Bank to the end of the official year 1901-02. If the repayments are to commence from the date of obtaining the Govt loan, then evidently three more instalments amounting to Rs 4,500/. will have to be paid up to the end of 1901-02.

Sheet 81

10. As regards loans to members, the rates of interest for loans are the maximum rates prescribed in the Articles of Association. There have been no deposits received from private individuals. The Bank has pre-paid Rs. 2562-8-7 towards interest for Govt. loans up to date of Inspection. The Bank has yet to pay Rs 169-15-4 for interest to end of December, and this together with the interest which becomes due to end of June '03 has to be paid by the end of the current official year.

The accompanying statement gives a general view of the Cash Transactions of the Bank at date of Inspection.

The several Registers connected with the Bank's Transactions have been duly examined. The entries are posted daily, and are clear.

The disbursements are supported by vouchers & authorised. The charges

under Establishment & Contingencies are real. The Bank's Gumasta has not been paid his salaries for 4 months commencing from January 1903 to end of April '03. The amount has not been drawn and disbursed to him. This should now be done.

Date of last entry in the Cash Book is 7th May 1903, and the Cash balance on that date was Rs 97-7-9. As per limit fixed in the articles of Association for Cash balance remaining in the hands of the Director, the amount has not exceeded Rs 200/- in any case. Whenever larger sums are received, they are at once remitted to the Treasury by the Bank's President.

12. The rules of the General Assembly have prescribed the limits within which loans can be granted to individual members on sufficient security being afforded, but no limit to loans

Sheet (4)

with reference to value of property existg, the loans granted in each case being within 50 p.c. of their value. The objects for which loans are granted are very meagrely specified. The Directors watch the application & the use of loans made. The sums obtained & used for several purposes are as shewn in the statement appended.

13. The mortgage deeds which were inspected were in due form & registered. Title-deeds are also produced in some cases. (Illegible) Second (illegible) loans are well secured. In case of simple debts repaid, the receipts obtained have been produced.

14. No punctuality is observed in the payment of dues. A good many of the members are defaulters, notably the office-bearers. The President & his men have not paid even the interest regularly. A list shewing the amount due is herewith submitted.

No. of members who have not paid principal { Office bearers. 6 / other members. 32.

Interest + penalty
are due from the members
as per list attached,
to the extent of Rs 1254-13-2.
The interest due to govt has
not been fully paid as a
balance of Rs 169-15-4
is in arrears to the end of
December 1902.

The reason for arrears
remaining unrecovered
is explained as due to the
prevalence of Plague. But
this is no admissible excuse.

13. There is no surplus
amount which has been
carried on to the Reserve
Fund.

16. The rules for convening
meetings are well under-
-stood. Meetings are held
every half year. No Extra-
-ordinary meeting was
convened. The educated
+ intelligent members
do take interest. These
Resolutions are forwarded
to the Inspector of Agri-
-cultural Banks for information.
There were only 8 business
meetings convened, and
the Resolutions passed
by the members have been
recorded in a Minute Book.

Sheet 2 (5)

17. The Directors have met only once during the year for business. It is stated that there was very little business to be transacted. Hence, they did not meet oftener. Their Resolutions have been recorded in a separate book.

18. The Bank's accounts are said to be scrutinized by three Auditors appointed by the members themselves for this purpose, but this year the accounts do not appear to have been checked till now by any of them.

19. The several Registers referred to are carefully & neatly maintained, with the following exception.

1. The Depositors' ledger.
2. Register of Appropriation of Loans, and,
3. Visitors' Book.

20. I am of opinion that this Bank is not in a well-working condition.

The President, Agent &
Directors are defaulters.
and that Rs. 12,803-9-9
should be shewn as
outstanding against
members shews that
they are very indifferents
in their work. Besides a
large sum of Rs 1,254-13-2
is in arrears towards
interest, which has
not been paid by the
members. So far as I have
been able to gather any
information as to this, I learn
that some members do
not like to pay their dues
because they have obtained
it for a low interest.
Stringent measures are
necessary to collect the
arrears outstanding.

I have the honour to be
Sir
your most obedient Servant

Assistant Commissioner
Chingleput Range

AR

Statement shewing the results of Cash Transactions of the Agricultural Bank at Closepet up to date of Inspection 19th May 1903

Receipts	Amount R	a	h	Expenditure	Amount R	a	h
1. From Treasury	14,998	8	-	1. To Treasury. Principal repaid	1500	-	-
2. " Deposits	2345	3	9	2. " Deposits	1702	3	9
3. Loans repaid	11,442	14	9	3. " Members Loan	25,176	-	-
4. Entrance fees	57	-	-	4. To Govt on o/c of interest	2562	8	-
5. Interest & Penalty	3835	6	5	5. To deposits do	46	2	3
6. other Items	252	4	11	6. Printing charges	49	5	-
				7. Establishment do	476	4	5
				8. Contingencies	64	12	2
				9. other items, (including house rent, cost of an Iron safe)	1256	10	6
				Total	32,833	14	1
				Cash on hand	97	7	9
Grand Total	32,931	5	10	Grand Total Rs	32,931	5	10

Asst. Agricultural Commissioner, Closepet

Statement shewing the sums obtained and t
for the several purposes n

Amount obtained	Rs	A
1. To discharge previous encumbrance	2377	-
2. To discharge other debts	11703	-
3. Agricultural purposes	11096	-
The details for this head are not available, as the Register of appropriation of loans is not maintained		
Total Rs	25176	-

Registered members Mutual Agricultural Benefit, Clerehaven
Limited at their Inspection 19 May 1903

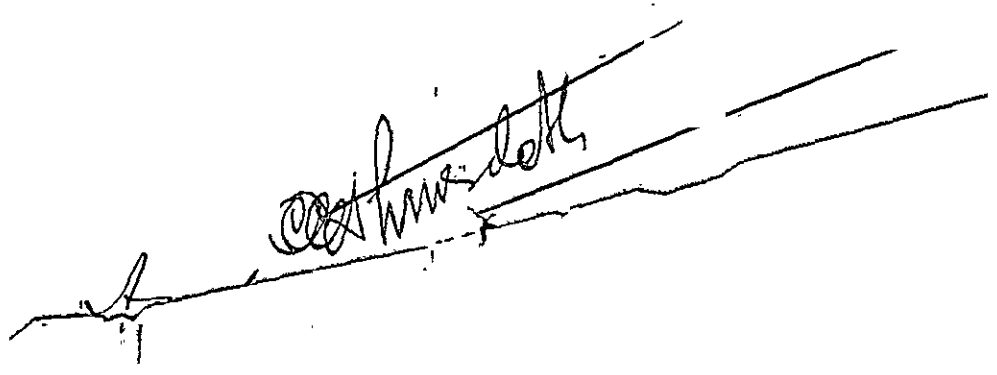
Amount spent.	£. s. d.
Discharge previous encumbrances	2377. . .
To discharge other debts	11,703 . .
For agricultural purposes	11,096 . .
Total	25,176 . .

A. Schwidek.
Assistant Commissioner
Clerehaven Area

A.H.

Statement showing particulars of loans outstanding against members at date of last report in the Agricultural Bank at Elsenburg

1st class			2nd cl			3rd cl			4th cl			Total			Value of property under mortgage to the Bank
R	a	h	R	a	h	R	a	h	R	a	h				
10,201.	4	11	1972	4	10		-	-	630	-	-	12,803.	9	9	56,220



	~~Lakshmi Narasiah~~	I & III	315	-	-	5 yrs		-	-	-	315	-	-	x	
	Moruthujakhan	IV	20	-	-	-		-	-	-	20	-	-	x	
	Akobala Narasiah	I	130	-	-	5 yrs		-	-	-	130	-	-	x	
	Thimmaiya	I & III	650	-	-	10 yrs		50	-	-	600	-	-	x	
	Ramanarasiah	I	600	-	-	10 yrs		176	5	3	423	10	9		
21	Narasimhaiya	II & IV	350	-	-	5 yrs		-	-	-	350	-	-	x	
22	Narasaiya	I	800	-	-	10 yrs		80	-	-	720	-	-	x	
23	Sivalaiah ~~Boobay~~	I. II, IV	1550	-	-	10 yrs		100	-	-	1450	-	-	x	President
24	Malikarahiman	IV	10	-	-	-		-	-	-	10	-	-	x	
25	Mahadeukhan	I	500	-	-	5 yrs		200	-	-	300	-	-		Director
26	Venktesabhatta	I	300	-	-	6 yrs		100	-	-	200	-	-		
27	Venktesa Sastry	II	100	-	-	-		-	-	-	100	-	-	x	
28	Shama Sastry	IV	20-0-0	-	-	-		-	-	-	20	-	-	x	
29	Sileman Sab	IV	50-0-0	-	-	-		-	-	-	50	-	-	x	
30	Nabikhan	II	300-0-0	-	-	-		-	-	-	300	-	-	x	Director
31	Yasin Manavari	IV	20-0-0	-	-	-		-	-	-	20	-	-	x	
32	Hasensab	II	150-0-0	-	-	-		-	-	-	150	-	-	x	Director
33	Singariah	IV	40-0-0	-	-	-		-	-	-	40	-	-	x	
34	Lakshmiasingh	II	85-0-0	-	-	-		-	-	-	85	-	-	x	
35	Siddoji Rao	III	45-0-0	-	-	-		-	-	-	45	-	-	x	
36	Singri Boyi	IV	25-0-0	-	-	-		-	-	-	25	-	-	x	
37	Sivasingh	IV	50-0-0	-	-	-		-	-	-	50	-	-	x	Director
38	Venkta Ramaniah	II & IV	150-0-0	-	-	-		-	-	-	150	-	-	x	Asst
39	Lakshmi Narasappah	IV	20-0-0	-	-	-		-	-	-	20	-	-	x	
											12803-8-9				

A.R. 1st to Commissioner
Cocoanut Board

Statement shewing the sums advanced as loans to members by the Bank, & the amounts due from each up to date of despatch on 19 May 1903.

No in the Register	Name of member	Class of loan	Amount advanced	Period of loan	Amounts paid			Balance due to Bank		
1	Ramaiya Chetti	I	1350	10 yrs	750			600		
2	Lakshmi Narasiah	I & IV	550	10 yrs				550		*
3	Appajiah	I & II	925	10 yrs	687	11	2	237	4	10
4	Vittal Narasiah	I	1000	10 yrs				1000		*
5	R Subba Rao	I & IV	1040	10 yrs	60			980		*
6	Jeevana Rao	I, II, III	1090	10 yrs	300			790		
7	Lingegowda	I	1050	10 yrs	425			625		
8	Honnappa	I	150	4 yrs	103	13	0	46	3	
9	Bhemamara	I	150	4 yrs	112	8		37	8	
10	Honnappa	I	300	5 yrs	161	10		138	2	
11	Sanjeevagowda	I	300	6 yrs	145			155		
12	Narasaiya	I & II	650	10 yrs	180			470		
	Siddalingaiya	I	250	5 yrs				250		*
	Lingegowda	II	300	-	-			300		*
	Ramakrishnaiah	I & II	1100	10 yrs	50			1050		*

Mysore Govt., Gen. & Rev. Secretariat

Branch

Office Draft. 74

Progs. of the Govt. of H. H. the Maharaja of Mysore.

File No. (if any) and its date—

Read :

Letter No 474 & 30.6.03 from the Inspector of Agricultural Banks submitting the report on inspection by Mr Ahmed Ali, Assistant Commissioner Closepet Range, of the Agricultural Bank at Closepet, Bangalore District.

D

Order : No R 400 dated 3-8-03. R.T. 26-1897-8. 3.

Recorded with the following observations.

1. In regard to the custody of bank registers and completeness with the President, the attention of the bank should be drawn to para 6 of the Conditions of Association.

2. The business of the bank is reported to have been extended to 16 new villages, for which sanction has not been obtained. The bank should be directed to apply at once to the Chief Commissioner under clause (d) Section 12 E. of

Mysore Companies Regulation of 1895.

3. The inspecting officer thinks that the order conveyed to bank by the Deputy Commissioner in November 1901 fixing the term for repayment of Govt. loan to 10 years is silent as to when the repayment should commence. But from the statement received with the Deputy Commissioner's docket No 1412 & 12.6.03 ~~(contract of which is not clear)~~ it is clear that the instalments have been ordered to commence from 1901-02.

The Deputy Commissioner is requested to enforce the punctual payment of instalments according to the terms allowed.

4. Regarding the arrears of interest due to Govt for December 1902, the attention of the bank should be drawn to the conditions, on which alone depends the continuance of Govt help, ~~to be exercised in~~ (vide Govt Order No 2067-76 & 10-11-1902 Rs 38-00)

5. It is not creditable to the bank to have on the list of its defaulters, (of its office-bearers i.e.
(vide para 54 of the ~~Govt~~ article VA)

The attention of the bank should be drawn to pdra 54 of the Certificate of Registration.

6. It is reported that the accounts of the bank have not been checked this year. The attention of the bank should be drawn to Section 74 of the Mysore Companies Regulation and to the serious consequences in case of default.

7. The following registers and accounts which are reported to be not kept should be opened. Depositors' Ledger, Register of disposition of loans and Cash Book.

8. It is reported that the bank is not in a well-working condition that Rs 12 804 towards principal & Rs 1253 towards interest due to bank are in arrears, that the office-bearers are also defaulters & indifferent in their work, that some members do not like to pay their dues as the

~~as to what steps are~~ ~~necessary to collect the outstanding~~
~~arrears.~~ The Deputy Commissioner
is requested to fix a reasonable
time within which the ~~bank~~ arrears
should ~~completely~~ be collected. and the affairs of the bank
and warn them against the practice kept in good working order
such defaults.

As regards the arrears outstanding, the

J. In drawing attention of the
Deputy Commissioner to the
concluding portion of the Govt
Order No 25586 G 10.12.01,
they regret to note that he has
not been enlightening with his
own remarks on the inspection
reports submitted to Govt.

30/7/03

30

1.7.03

28/7/03 Secretary

The Deputy Commissioner
(Collector Magistrate)
Cuttack 1/8/03